

**SWORN STATEMENT** [REDACTED]

I, [REDACTED] in the State of South Australia say on oath/affirm as follows:

**Background**

1. I am the business owner of [REDACTED]  
[REDACTED]
2. The first [REDACTED] opened in 2010 (The café is a fine food and espresso bar destination in the inner east on the main shopping precinct at The Parade in Norwood.) It has evolved substantially from a continental delicatessen. The city-based [REDACTED] mostly patronised by business professionals. [REDACTED] shop is indicative of the direction [REDACTED] is growing, on trend with healthier eating offerings in the form of healthy grab and go drinks and cuisine.
3. The company has been a member of the Restaurant & Catering Association since 2011.
4. I have worked in the hospitality industry for 20 years.

**Staffing Arrangements and weekly operating hours**

5. The [REDACTED] store trades: Monday to Friday 6am to 5pm and Saturdays and Sundays 6:30am too 5pm.
6. The [REDACTED] store trades: Monday to Friday 7am-5pm
7. [REDACTED] trades 7 days a week from 7am – 5pm and later on Thursdays until 7pm.
8. The company employs 3 full-time staff, and 90 casual staff spanning back of house and front of house positions from service staff to cooks and baristas and kitchen hands. We also employ some specialist technicians in design, food trends etc.
9. We have a roster system through Wageloch and we are unable to produce a copy of it to attach to this statement. Wageloch does not produce a complete roster version

compatible with Macintosh. A copy of our roster can be made available to view anytime in situ.

### **Financial Information**

10. Please find attached an indicative profit and loss statement as an Appendix to this Statement.
11. Please find attached a snapshot of the last public holiday we encountered, namely in June 2015, and the associated spike in costs for staff that day.  
  
Operating costs are nearly doubled which as a dollar amount in the vicinity of \$5800/day for a public holiday at our Norwood store and exceed \$6500 in warmer months.
12. Labour costs impact our profit margins significantly on public holidays. Our customers expect us to open and the extra costs mean compromising product development and reducing our spend on innovation, which reduces our potential to be at the forefront of our industry.
13. It is just simply not profitable to trade on public holidays. Penalty rates cause us to cut trading hours down ie instead of opening at 6am we would open at 8am and instead of closing at 5pm we will shut at 3pm or 4pm. As we trade 7 days a week, with regular opening and closing times this impacts our customers directly when we shut the doors.
14. For café menu pricing we are reluctant to add surcharges to our style of venue.
15. Workers compensation needs to be completely overhauled. Our experiences have been quite negative. We have had employees who have been injured prior to working for us through their own hobbies and then complained about the injury at work, then are covered via workers compensation which has in turn caused our levy to go from 33k to 45k. We feel it is completely out of our control.
16. Currently with payroll tax, the more employees the more each gets taxed? How does this make sense? This causes a shift in thinking of business owners to try avoid reaching the threshold by paying in 'cash' or operating under separate companies,

where we try to do the right thing but don't feel as though we are playing on a level playing field with others in the industry.

**Modern Award Problems**

17. With regard to the classifications in the Modern Award, it contains too many different levels. Level 1-5 with very vague explanations of what an employee should be paid so we always level up because we are so concerned that we may be doing the wrong thing.
18. Proposed reductions in penalty rates and other changes to The Modern Award are integral to making the business more productive, continuing to innovate and the inclination to up skill staff could be an opportunity. There could be incentives to up skill staff for greater remuneration. Whereby businesses would be required by statutory agreement to offer staff the ability to undertake short courses in order to up skill themselves for the benefit of both parties, this would be integral for levelling up on the award thus increasing wage.

Signature of deponent

Capacity of witness

**To be completed by witness:**

I certify the following matters concerning the making of this sworn statement by the person who made it:

- I saw the face of the person; and I have known the person for at least 12 months

Signature of witness \_\_\_\_\_

Dated: \_\_\_\_\_